



**Board of Livestock Meeting Minutes
November 17 & 18, 2008
Scott Hart Auditorium
Helena MT 59601**

Monday, November 17, 2008

DRAFT

Board of Livestock Members Present:

Stan Boone, representing cattle producers
Jan French, Vice Chair, representing pork producers
Brett DeBruycker, representing cattle producers
Bill Hedstrom, Chairman, representing dairy and egg producers
Linda Nielsen, representing cattle producers
Becky Weed, representing sheep producers

Staff:

Marty Clark, assistant administrator, Brands Enforcement Division
John Q Grainger, administrator, Brands Enforcement Division
George Harris, administrator, Centralized Services Division
Carol Olmstead, bureau chief, Meat Inspection Bureau
Christian Mackay, executive officer
Steve Merritt, public information officer
Dr. Jeanne Rankin, assistant state veterinarian, Animal Health Division
Sherry Rust, administrative assistant, recorder
Dan Turcotte, bureau chief, Milk, and Egg Bureau
sva

Guests:

Kim Baker, Montana Cattlemen Association
Lindsay Giem, Giem Ranches Inc
Carol Giem, Giem Ranches Inc
Ariel Overstreet, Montana Stockgrowers Association
Les Graham, Montana Farm Bureau, Montana Auction Markets
John Steuber, USDA Wildlife Services
Kraig Glazier, USDA Wild Services
George & Jeanette Rankin, Kicking Horse Ranch
Greg C Brown, MSGA & Cattle Express
Quentin Kujala, Fish, Wildlife & Parks
Nicole Rolf Montana Farm Bureau Federation
Debby Barrett, SD 36
Nancy Semple Montana Farm Bureau Federation
Glenn Hockett, GWA
Ken McDonald, Fish, Wildlife & Parks
Brad DeGroot, Livestock Veterinary Services

Call to Order: 1: 00 p.m.



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Board Communications:

Becky Weed, Belgrade

- received decent rain the last two weeks
- alarmingly warm now

Christian Mackay introduced and welcomed new board member Brett DeBruycker. Mr. DeBruycker was appointed to replace George Hammond and represents the cattle industry. He is the current Montana Cattlemens Association president and raises registered Charlais.

Brett DeBruycker, Dutton

- finally in decent shape moisture wise
- cattle market is heading down

Jan French, Hobson

- not much moisture, small rains
- looks good and not much wind
- hog market down to 35 cents
- feed prices are not quite as bad
- bi-annual meeting was held in Great Falls

Linda Nielsen, Nashua

- pretty dry up there
- cattle sales look good
- 3278 head sold at last sale
- totals are up a little

Stan Boone, eastern Montana

- beautiful fall, great weather
- some rain and snow
- then lots of sunshine with 70 degree weather

Bill Hedstrom, Kalispell

- agriculture is slowing down
- dairy prices at the bottom
- dairy producers are subsidizing the retail markets with their milk
- \$75 ton and up for dairy hay

Approval of Minutes:

Jan French moved to accept the September minutes as presented. Stan Boone seconded. The motion carried unanimously.

Approval of Executive Officer Reports:

Stan Boone moved to approve the executive officer report as presented. Linda Nielsen seconded. The motion carried unanimously.

Approval of Chairman Interim Authorizations and Activities:

Jan French moved to approve the chairman's authorization of out-of-state travel for Marty Clark, Gary Anderson, and Pat Murphy to attend the 5 State Brand Meeting in South Dakota. Becky Weed seconded. The motion carried unanimously.



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OLD BUSINESS

BRANDS FEE FOLLOW UP, John Grainger

John first announced that Paul Johnson and Pete Olson received the 2007 Governor's Award for the 2007 brucellosis investigation.

- received a request from Cattlemen Association asking the board to postpone raising fees
- only 10 comments received, about 50/50 pro and con
- recommended that the board postpone fee changes indefinitely while continuing to research
- do need a decision prior to the spring of 2010 to allow for rerecord mail out

Board discussion:

- okay to postpone fee increases
- need to raise fees to increase salaries (brand inspectors, etc)
- need to address the whole budget picture before the board addresses fees
- in general producers are aware of department costs and needs

Becky Weed moved to postpone a decision on fees until a future date allowing for further research. Brett DeBruycker seconded. The motion carried unanimously.

BRAND BOOK PRICES, John Grainger

- explained the process from request through printing
- cost is decided through ITSD who bills per computer unit second
- ITSD could not even give an estimate per county printing cost
- department is currently charging \$18 per county and losing money on every request
- an average of past printings are between \$20 to \$30 per county

Board discussion:

- could refer requests to an organization (MCA) who is currently printing a statewide book
- must consider cost, time spent, and department money situation
- set a standard price at \$25 to \$30 and refer them to (MCA) (not as up to date as department print outs)
- offer at a cost where the department is not losing money or making money
- take the highest county cost and set the fee at that

Jan French moved that the fee be \$30 per county effective immediately. If the fee is way high or low it will be changed accordingly. Linda Nielsen seconded. The motion carried unanimously.

GUEST SPEAKER

2008 ELK SURVEILLANCE

QUENTIN KUJALA, FISH WILDLIFE & PARKS explained FWP efforts in regards to elk surveillance:

- over 8,000 samples/test kits disbursed to hunters and landowners
- weather is working against harvest right now with about two weeks left
- may extend the season depending on harvest numbers through the fourth week
- have been sero-positive rate in elk in the Greater Yellowstone area
- looking at where that sero-positive runs out
- have gotten about 200 test kits back to date, most of which look like good tests
- power point presentation showed history of GYA elk movements through 2008



**Board of Livestock Meeting Minutes
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Recess: 2:35 p.m.

Reconvene: 2:40 p.m.

Executive Office, Christian Mackay

ONLINE PERMITS - LOOKING AHEAD

- provided data on applications for market and sheep permits since they went online
- cited pretty good adoption and user participation thus far

Two more pending projects:

- online animal health imports
 - for out-of-state vets to utilize
 - currently costs about \$2600 per year for 24 hr answering service
- rerecord online
 - not the only way to rerecord but an additional way
 - should recognize cost savings in answering service fees & employee costs)
 - will utilize more advertising to notify users thru organizations and online websites

Wildlife Services, John Steuber

- Ag bill has not yet been passed (containing WS funding)
- continue spending as per last year's budget
- major difference is that federal employees got a pay raise, so \$50,000 of budget going to that

Workload increase:

- 30% increase in time spent on wolves, cannot complete other work, such as coyote work
- seeing wolves in more and more areas

Disease surveillance:

- completed 1300 plague and tularemia tests
- coyotes showing 12% exposure to plague and prairie dog die-offs are noticeable
- bird samples for avian influenza

Airport management

- training on habitat management and wildlife management
- costs paid by airport

Wolf management:

- had one wolf management project last year at this time vs. eight ongoing now throughout the western part of the state
- this year did not see a lot more cattle kills but heavy sheep losses, plus guard dogs, and llamas
- reintroduced in 1995, it was not anticipated that wolves would repopulate at this rate
- Fish Wildlife & Parks dictates what Wildlife Services can do following WS determination of a wolf kill (radio collar, trap, etc)
- USDA Wildlife Services are essentially government trappers

Response to a data and statistics from Kim Baker concerning WS and predator control costs and payments included:

- the department pays helicopter insurance first, the balance goes to Wildlife Services
- the federal helicopter is grounded until more cattle money is available



**Board of Livestock Meeting Minutes
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- department funding money is used for the two helicopters and two pilots
- WS receives approximately \$75,000 in federal money for the federal helicopter
- the budget is set and the only way to generate more predator control money is to go through the legislature

Kim Baker volunteered the Montana Cattlemens Association to work with the board on any legislation to help predator control funding.

PRODUCER ORGANIZATION UPDATES

Stockgrowers, Ariel Overstreet

- 124th annual convention will be in Billings, December 11-13 at the Holiday Inn Grand
- guest speaker Wesley Batista, JBS Swift

Montana Farm Bureau Federation, Nichole Robb

- 400 people attended the annual convention November 9-1 in Billings
- Bob Hansen of White Sulphur Springs was elected president
- Bruce Wright from the Gallatin Valley out of Belgrade elected vice president
- new policy developed at grass roots level with the new policy book due out the first part of January

Woolgrowers, Aeric Reilly

- 125 annual convention is December 5 & 6 in Billings at the Holiday Inn Grand
- everyone invited to attend
- working to get legislature to fund the Livestock Loss and Mitigation Board

Open Microphone

Nancy Giem, Giem ranches

- lost six (2 & 3 year old cows) confirmed wolf kills within a month
- 2 more aborted and the herd is in terrible shape due to stress from wolf predation
- 200 taken off fall range because of the threat of wolves increasing feeding costs
- reimbursement is only cull value of cow - not fence damage, stress to cattle, aborted fetuses

Adjourned: 4:00 p.m.

Tuesday, November 18, 2008

Board of Livestock Present:

Stan Boone, representing cattle producers

Jan French, Vice Chair, representing pork producers

Brett DeBruycker, representing cattle producers

Bill Hedstrom, Chairman, representing dairy and egg producers

Linda Nielsen, representing cattle producers

Becky Weed, representing sheep producers



**Board of Livestock Meeting Minutes
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Marty Clark, assistant administrator, Brands Enforcement Division
George Edwards, LLRMB, Administrative Specialist
George Harris, administrator, Centralized Services Division
Dr Bill Layton, administrator Diagnostic Laboratory
Christian Mackay, executive officer
Steve Merritt, public information officer
Monte Nick, chief, Milk Control Bureau
Carol Olmstead, chief, Meat Inspection Bureau
Dr. Jeanne Rankin, assistant state veterinarian, Animal Health Division
Sherry Rust, administrative assistant, recorder
Rob Tierney, supervisor, Bison Management Program, Animal Health Division
Dan Turcotte, chief, Milk and Egg Bureau
sva

Guests:

Kim Baker, Montana Cattlemens Association
Ariel Overstreet, Montana Stockgrowers Association
Nicole Rolf, Montana Farm Bureau Federation
Meg Smith, rancher
John Steuber, USDA Wildlife Services
George & Jeanette Rankin, ranchers
John C Anderson, Ruby Dell Ranch
Jay W Peterson, Six Diamond Angus
Andy Peterson, Ruby Dell Ranch
Ross Hansen, Ross Hansen Ranch
Jim Hagenbarth, Hagenbarth Livestock
Debby Barrett, SD 36
Less Graham, Montana Farm Bureau, Montana Association of Livestock Markets
Allen Martinell, rancher
Bradley D DeGroot, Veterinarian
Rob Miller, Miller Cattle Co
George Trischman, rancher
John Scully, rancher
Kevin Boltz, rancher
John Crumly, rancher
Robert Sitz, rancher
Greg Strohecker, KB Ranch
Tom Linfield, veterinarian

Call to order: 8:10 a.m.

NEW BUSINESS AND DIVISION REPORTS

CENTRALIZED SERVICES, GEORGE HARRIS
BUDGET STATUS



**Board of Livestock Meeting Minutes
November 17 & 18, 2008
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- first quarter of FY 09 (June through August) was reviewed by division
- most divisions right on budget this far into the year
- Board of Horse Racing net sheet shows them starting to bring in revenues - Fantasy Sports beginning to pay
- Livestock Loss Reimbursement and Mitigation Board will barely make it through the year just for salary
 - budget office has been advised of the shortfall

STATE SPECIAL REVENUE FUNDS

- made up of brand fees, per capita fees, animal health fees
- brands \$1.9 million
- inspection fees \$742,000
- per capita \$11,000 so far - Department of Revenue just started sending out bills

LIVESTOCK LOSS REIMBURSEMENT AND MITIGATION BOARD

George Edwards said the second meeting of the LLRMB was held October 24 with \$59,000 in claims paid

- pending claims include 5 cows, 2 calves, 3-5 replacement heifers, 3 ewes
- no money left to pay them (hopefully Defenders of Wildlife will re-pledge at the start of 2009)
- SB 2875, from Senator Tester, was heard this week and might pass this year
- looking for a sponsor for a bill in the state legislature to provide matching funds
- 205 claims in the last seven months from 47 owners

MILK CONTROL BUREAU, Monte Nick

- FY 2009 production above average over 2007 and 2008
- received notice from Bozeman judge that a scheduling conference on the lawsuit is set for December 2

BRANDS ENFORCEMENT, John Grainger

CONFLICTS AND APPLICATIONS

Two requests to address:

- Greg Harding, Ronan
 - a prior board's ruling that Mr. Harding must complete set requirements, was reconfirmed by this board
 - requirements are to obtain release of interest from possible conflicting brand owners
 - Mr. Harding provided documentation of partial completion of requirements
 - owns about 75 head of cattle with about 28 bearing the brand at issue here
 - requested brand be reinstated as is

Christian Mackay informed the board:

- brand committee met and looked at the previous board's ruling
- Mr. Harding complied with the release of conflicts except for one refusal
- the conflict committee could not overrule Board of Livestock policy
- conflict reappeared when Mr. Harding requested reinstatement after the brand was not renewed in 1981

John Grainger explained:

- it is a protection issue, current brand owners must be protected by board policy
- Flathead County borders Lewis & Clark where the current refusing owner resides



**Board of Livestock Meeting Minutes
November 17 & 18, 2008
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- he recommended board not approve the request -not go against board policy- not issue it for the protection of current brand owners

Jan French moved that the board follow the recommendation to not grant Mr. Harding's request for reissue of brand under current brand conflict policy. Linda Nielsen seconded. The motion carried unanimously.

- Jack McGinnis
 - requested a quarter circle bowed up on shoulder, which he currently owns on hip
 - conflict committee denied on the policy of no longer issuing single character brands
 - for his protection (easily altered)

John Grainger recommended board not issue this brand as it would take away so many potential new brands.

Christian Mackay said the same request has been denied by prior boards for the same policy reasons.

Becky Weed moved to adhere to board policy and not grant the request from Jack McGinnis. Jan French seconded. The motion carried unanimously.

DIAGNOSTIC LABORATORY, Dr. Bill Layton

UPDATES - ACCREDITATION COMMITTEE

- Christian Mackay, Chairman Bill Hedstrom, and Dr Layton attended
- emphasized the need for a new building
- presented the strategic plan which included the possibility of renting more space, remodel existing space, modular, or new facility
- investigate other state laboratory needs with attention to facilities

PHONE LINES

A contingency plan was needed in case of loss of phone lines during fall construction for widening the road running next to the lab. The phone lines run close to the road and the lab relies heavily on phone lines for customers and faxing information and test reports to veterinarians (85-90%).

- can bring in individual lines at \$641 each
- the plan is to bring in four lines, two for faxing and two phone lines
- this way if phones go down at the lab will still have four lines
- cell phones will be acquired if and when lines go down
- and a system of forwarding calls to cell phones will also be instituted
- a-grant program through Risk Management will fund \$2,400 for this plan

HEMATOLOGY ANALYZER

- current unit is over 7 years old and the lease expired about 2 yrs ago
- maintenance is becoming a liability
- can lease a newer (refurbished) one for \$1 more per month than paying now
- maintenance costs are extra
- all monies are in the budget for this acquisition
- need board authorization for the new (refurbished) analyzer.

Jan French moved to approve Dr Layton's request to purchase the newer refurbished



**Board of Livestock Meeting Minutes
November 17 & 18, 2008
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analyzer as requested. Brett DeBruycker seconded. The motion carried unanimously.

PUBLIC INFORMATION OFFICE, Steve Merritt

- weekly news email
 - good response on that
 - will be expanding to more readers soon
- will work on Livestock Loss Reimbursement and Mitigation for more exposure

Recess: 10:00 a.m.

Reconvene: 10:20 a.m.

MILK & EGG BUREAU, Dan Turcotte

- still monitoring the agreement with Coremark to comply with dual dating
 - signage is up in stores
- working on a couple of proposed cheese manufacturing programs
 - sheep cheese in Sheridan
 - raw milk process in Belgrade
 - both facilities are raw processes

ANIMAL HEALTH REPORT, Dr. Marty Zaluski

GYA Wildlife /Livestock Task-force Update

- Brucellosis Action Plan (BAP)
 - lays out path for surveillance & risk mitigation to regain our class free status
 - first day we can apply for regaining class free status is May 28, 2009
 - process is that USDA comes up with requirements we need to do before we can apply
 - the BAP addresses what we think will be requested
 - the second draft includes significant changes from the first draft

Public Remarks on the Brucellosis Action Plan

ROBERT SITZ

- don't address bison, do address elk; has concerns over looser movement of bison into Montana, need double vaccination

LES GRAHAM

- Farm Bureau resolution almost demands action on the plan at this meeting
- want the rules to be in compliance, including vaccination of breeding heifers
- any heifer coming into the state should be vaccinated
- Markets are seeing big delays following sales due to the testing requirements
- need a plan to ease the burden, Wyoming paid a chute fee in their plan

JIM HAGENBARTH

- In the working group with Dr Zaluski, 2 Area Plan is much better, 3 Area Plan very hard to work with
- 2 Area will establish a baseline to force liability to the other agencies that they enforce work with wildlife

JOHN SCULLY

- nothing in the plan identifies what a risk assessment means



**Board of Livestock Meeting Minutes
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- is there a sunset to the plan?
- missing lots of cost information

JOHN ANDERSON

- biggest concern is movement of cattle between Madison and Beaverhead Counties, commend the 2 area plan
- Park Service and FWP have to stand up and deal with the brucellosis problem
- need to eliminate the animals with the disease

MEG SMITH

- the department has the authority over diseased animals, the board needs to say we have authority over disease

DEBBIE BARRETT

- opposed to old and new plan, county boundaries an improvement
- bailout for federal government, they are responsible for disease
- does not solve the diseased wildlife problem

ERROL RICE, Montana Stockgrowers Association

- our role is to complement the board, and help by talking to counterparts in other states
- question is what is Montana doing to address wildlife and what the department will be doing regarding bison operations in the coming season

Dr. Zaluski continued with a description of the new draft including the strengths and weakness of both plans. (A copy of the most recent plan is available on the department website.)

Changes to the original draft include:

- revision from a three-area plan to a two-area
- county lines for area boundaries instead of roads or geographic features
- draft budget and funding
- removal of mandatory statewide OCV
- sunset clause detailing the length of the plan
- delay in implementing the plan could and probably will delay class free status application
- a plan in hand will allow for requesting funding both from USDA and the legislature

Becky Weed moved to adopt the assessment phase of the plan and set up a committee to address the wildlife issue, OCV, and refining the budget.

The motion died for lack of a second.

Becky Weed moved that the department move forward with the risk assessments as outlined in the 2 area plan. Jan French seconded. Voice vote: Stan Boone, aye; Becky Weed, aye; Linda Nielsen, aye; Jan French, aye; Brett DeBruycker, nay; Bill Hedstrom, aye. The motion carried.

IBMP UPDATE, DR ZALUSKI

The IBMP is an adaptive management plan with two objectives:

- preserve wild herd
- prevent brucellosis infection from wildlife to livestock
- not to reduce brucellosis in bison in Yellowstone Park
- does not address bison brucellosis, infection transmitting to elk, etc

The first adaptation addresses the former Munn's property (Horse Butte)

- that 840 acres no longer risk of commingling of bison with livestock



**Board of Livestock Meeting Minutes
November 17 & 18, 2008
Scott Hart Auditorium
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- focused on ability to keep the bison on Horse Butte
- limits should be what number will stay on Horse Butte
- numbers cross the narrows will drive what is too many
- May 1 thru 15 one crossing of females means the department begins implementation of all management tools-hazing, capture & slaughter, etc
- prior to May 1st - three crossings will implement management operations
- south and north sides is a numerical cap as per earlier plan

Second issue

- Bull bison year around, not seasonal, transmittal risk from bull bison is very low
- limited to Zone 2 with no cap
- concerns are with public safety and property damage
- if bull bison do enter livestock property they will be managed per protocol - hazing, lethal removal, etc
- still treating risk and is not increasing risk thru these measures
- not unlimited number on Horse Butte, actually moving into maintaining a perimeter around Horse Butte to assure no co-mingling with livestock
- regardless of numbers crossing the narrows will indicate too many bison out on Horse Butte
- Zone 2 and 3 boundaries have not been changed

US ANIMAL HEALTH ASSOCIATION MEETING UPDATE

- lot of activity on brucellosis and regionalizing- APHIS system is no longer adequate
- tri state committee:
 - supports regionalization
 - supports preserving class free status
 - supports national brucellosis elimination to promote all of the US being class free
 - does not address of wildlife reservoir
 - promotes reduction with implementation by middle of 2009, puts USDA on the spot
 - risk assessments with an objective score
 - additional brucellosis outbreak in this area will not affect class free State or National

Resolution:

- request that brucellosis select agent list will be evaluated-makes research and science very difficult

Resolution:

- feeder animals out of Mexico pose significant risk to American cattle
- as regards to TB

IMPORTATION OF NON- OCV BOVINES INTO MONTANA

- not allowed in Montana by Official Order since repeal of statute
- do get requests to allow non-vaccinated imports
- an individual request to allow import if allow for follow up testing
- against lifting OCV requirements
- Canada cannot import to Montana
- request for a board decision



**Board of Livestock Meeting Minutes
November 17 & 18, 2008
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Brett DeBruycker moved that the board continue to not allow non-vaccinated cattle into Montana. Linda Nielsen seconded. The motion carried unanimously.

BRUCELLOSIS TASK FORCE

Christian Mackay reported there were few applications.

- all applications were forwarded to the board
- no applicant for Rancher/outfitter
- only a few from rancher side
- suggested the board delay action on the task force given the immediacy of the situation
- utilize the resources of department

The board agreed to put the task force on hold for the time being. Department personnel will work on the issue. A schedule of community meetings to keep producers informed will be posted on the department website.

Open Microphone

LES GRAHAM

- volunteered Farm Bureau and Livestock Auction Markets for whatever committee or working group on brucellosis - as needed, whenever, to meet in Helena
- concerning budget issues board come to Farm Bureau, Stockgrowers, and Markets
- bring things to them and allow them to lobby for the department
- use the power of the agriculture lobby during this legislative session

MEG SMITH

- regarding the IBMP and this excessive management approach, is it a done deal?
- where does the adaptive end and true amendment of the plan begin?

JOHN SCULLY

- wondered if the board was aware of the draft 20 year plan for Red Rock Lakes National Wildlife Refuge
- two draft plans consider the addition of free roaming bison
- hearing has been held

QUENTIN KUJALA, FWP, explained they are considering it in the context of what the State of Montana decides.

ROBERT SITZ

- the IBMP is more political than about fighting the disease issue
- Munns were ranchers and were basically force off of Horse Butte
- he leases from Povahs, if he stops leasing Povahs will subdivide
- other ranchers will be bought out or eliminated

ALLEN MARTINELL, southwestern Montana producer

- changes in the plan from 3 area to 2 is beneficial to him
- before he was in all 3 zones
- need to come to groups in Montana and explain the plan
- need to control the disease in the wildlife

JIM HAGENBARTH

- lost 1 rancher already, the Munns brothers
- the weapon is brucellosis



**Board of Livestock Meeting Minutes
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OTHER BUSINESS

Stan Boone received a fax morning from Barry Ellis, a participant in the first hot cow (brucellosis) event.

- copies will be made and sent to all board members
- the board will pursue investigation of allegations
- will then be addressed at the next board meeting

Dr. Zaluski has been invited and will attend the Rocky Mountain Elk Foundation meeting December 8 and 9. The objective is unknown.

Next board meeting January 12 & 13, 2009

Adjournment: 1:40 p.m.

BILL HEDSTROM, CHAIRMAN
BOARD OF LIVESTOCK